

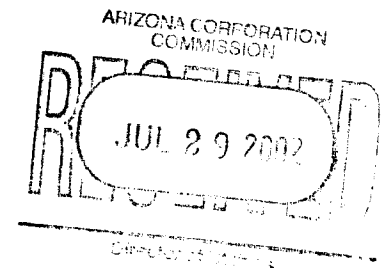
**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

P

W-01676A  
PINEVIEW LAND AND WATER COMPANY, INC.  
5198 CUB LAKE RD.  
SHOW LOW AZ 85901-

**ANNUAL REPORT**



**FOR YEAR ENDING**

12	31	2001
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**FOR COMMISSION USE**

ANN04	01
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Processed by:

7-29-02 cm

SCANNED

29 JUL 2002

## COMPANY INFORMATION

**Company Name (Business Name)** Pineview Water Co., Inc.

**Mailing Address** 5198 Cub Lake Rd.

(Street)  
Show Low  
(City)

AZ  
(State)

85901  
(Zip)

928-537-4858 928-537-2180  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Local Office Mailing Address** Same  
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** Ernie Sutter  
(Name) (Title)

1720 Forest Ave  
(Street)

Lakeside  
(City)

AZ  
(State)

85929  
(Zip)

928-537-4858 928-537-2180  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**On Site Manager:** Ernie Sutter  
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Statutory Agent:** A. Paul Blunt  
(Name)  
6906 E Camelback Rd. Suite 525, Scottsdale AZ 85251  
(Street) (City) (State) (Zip)

480-423-9500

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** A. Paul Blunt

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☒ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

<b>COMPANY NAME</b> <b>PINEVIEW WATER COMPANY, INC.</b>
--

**UTILITY PLANT IN SERVICE**

2001

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	127,425		127,425
304	Structures and Improvements	94,930	84,709	10,221
307	Wells and Springs	222,283	105,485	116,798
311	Pumping Equipment	103,159	98,809	4,350
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	304,911	238,402	66,509
331	Transmission and Distribution Mains	907,348	308,415	598,933
333	Services	10,116	9,393	723
334	Meters and Meter Installations	164,033	119,488	44,545
335	Hydrants	7,766	6,190	1,576
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	38,884	38,884	0
340	Office Furniture and Equipment	17,848	7,171	10,677
341	Transportation Equipment	8,343	4,954	3,389
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	533	112	421
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>2,007,579</b>	<b>1,022,012</b>	<b>985,567</b>

This amount goes on the Balance Sheet Acct. No. 108

<b>COMPANY NAME</b> <b>PINEVIEW WATER COMPANY, INC.</b>
--

### **CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

2001

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	127,425		
304	Structures and Improvements	94,930	2.45%	2,326
307	Wells and Springs	222,283	2.97%	6,075
311	Pumping Equipment	103,159	15.00%	353
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	304,911	1.80%	5,383
331	Transmission and Distribution Mains	907,348	2.00%	17,341
333	Services	10,116	2.96%	299
334	Meters and Meter Installations	164,033	3.82%	6,153
335	Hydrants	7,766	1.94%	143
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	38,884	4.95%	1,892
340	Office Furniture and Equipment	17,848	5.14%	917
341	Transportation Equipment	8,343	20.00%	376
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	533	5.98%	32
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>SUBTOTALS</b>	<b>2,007,579</b>		<b>41,290</b>
	<b>Less: CIAC Amortization</b>			<b>143</b>
	<b>TOTALS</b>	<b>2,007,579</b>		<b>41,147</b>

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

**COMPANY NAME****PINEVIEW WATER COMPANY, INC.****BALANCE SHEET**

2001

<b>Acct. No.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 96,101	\$ 30,218
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	0	38,459
146	Notes/Receivables from Associated Companies	12,754	23,060
151	Plant Material and Supplies	7,782	7,783
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	1,500	
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 118,137</b>	<b>\$ 99,520</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 1,864,687	\$ 2,007,579
103	Property Held for Future Use		
105	Construction Work in Progress		562
108	Accumulated Depreciation - Utility Plant	980,722	1,022,012
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 883,965</b>	<b>\$ 986,129</b>
	<b>TOTAL ASSETS</b>	<b>\$ 1,002,102</b>	<b>\$ 1,085,649</b>

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page

<b>COMPANY NAME</b> <b>PINEVIEW WATER COMPANY, INC.</b>
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**BALANCE SHEET (CONTINUED)**

2001

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ -	\$ 10,763
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	3,575	4,561
236	Accrued Taxes	18,408	15,723
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	465	308
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 22,448	\$ 31,355
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 283,625	\$ 300,287
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	315,549	362,810
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	5,141	9,131
272	Less: Amortization of Contributions	51	194
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 320,639	\$ 371,747
	<b>TOTAL LIABILITIES</b>	\$ 626,712	\$ 703,389
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 4,000	\$ 4,000
211	Paid in Capital in Excess of Par Value	513,155	513,155
215	Retained Earnings	(141,765)	(134,895)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 375,390	\$ 382,260
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 1,002,102	\$ 1,085,649

**COMPANY NAME****PINEVIEW WATER COMPANY, INC.****COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR 2000</b>	<b>CURRENT YEAR 2001</b>
461	Metered Water Revenue	\$ 473,462	\$ 486,656
460	Unmetered Water Revenue	26	723
474	Other Water Revenues	2,426	3,620
	<b>TOTAL REVENUES</b>	<b>\$ 475,914</b>	<b>\$ 490,999</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 243,984	\$ 181,418
610	Purchased Water		
615	Purchased Power	52,845	56,176
618	Chemicals	1,018	2,014
620	Repairs and Maintenance	25,172	21,012
621	Office Supplies and Expense	8,773	12,446
630	Outside Services	5,267	1,050
635	Water Testing	4,358	2,055
641	Rents	28,202	52,984
650	Transportation Expenses	10,403	4,283
657	Insurance - General Liability	8,163	10,183
659	Insurance - Health and Life	5,812	7,510
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	18,256	27,731
403	Depreciation Expense	35,818	41,147
408	Taxes Other Than Income	22,001	14,086
408.11	Property Taxes	20,695	12,878
409	Income Tax	4,094	50
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 494,861</b>	<b>\$ 447,023</b>
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 2,309	\$ 446
421	Non-Utility Income		150
426	Miscellaneous Non-Utility Expenses	15,001	37,702
427	Interest Expense		
	<b>TOTAL OTHER INCOME/EXP</b>	<b>\$ (12,692)</b>	<b>\$ (37,106)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (31,639)</b>	<b>\$ 6,870</b>



COMPANY NAME

Pineview Land &amp; Water

**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	12-17-99	2-9-01		
Source of Loan	WIFA	Land America		
ACC Decision No.				
Reason for Loan	Improve system	5 acres		
Dollar Amount Issued	\$ 344,865	\$ 105,000	\$	\$
Amount Outstanding	\$ 349,156	\$ 68,431	\$	\$
Date of Maturity	12-17-19	6-8-07		
Interest Rate	5.43	9.0		
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year

\$ \_\_\_\_\_

COMPANY NAME

Pineview Land &amp; Water

**WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
1. 608848	30		6	2½
2. 608847	30	115	6	3
3a. 608846	40	115	8	3
b. 565467	40	130	10	3
4. 509306	40	113	8	3

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = \_\_\_\_\_

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	1	61	
15	4		
40	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250,000	2	6800	1
40,000	1	5000	2
1,000,000	1		

## STATISTICAL INFORMATION

Total number of customers 889

Total number of gallons sold 73,045,461 gallons

COMPANY NAME Pineview Land & Water Co. Inc. YEAR ENDING 12/31/2001

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported \_\_\_\_\_  
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0  
Estimated or Actual State Tax Liability \_\_\_\_\_

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected —  
Total Grossed-Up Contributions/Advances —

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Kathrine L Sutter 4-9-02  
SIGNATURE DATE

KATHRINE L SUTTER Secretary  
PRINTED NAME TITLE

COMPANY NAME Pineview Water Company Inc. YEAR ENDING 12/31/2001

**WATER AND SEWER  
UTILITIES ONLY**

**PROPERTY TAXES**

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 23,033.67

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

n/a

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

**VERIFICATION**

**STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE**

COUNTY OF (COUNTY NAME) <b>NAVAJO</b>
NAME (OWNER OR OFFICIAL) TITLE <b>RON MCDONALD, GENERAL MANAGER</b>
COMPANY NAME <b>PINEVIEW WATER COMPANY, INC.</b>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2001

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

**IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:**

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 514,680

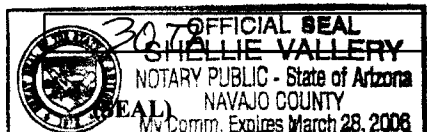
**(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 23,681  
IN SALES TAXES BILLED, OR COLLECTED**

**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**



**DAY OF**

COUNTY NAME	<u>Navajo</u>	
MONTH	<u>August</u>	<u>2004</u>

Ron L McDonald  
SIGNATURE OF OWNER OR OFFICIAL

928 537-4858  
TELEPHONE NUMBER

Shellie Valley  
SIGNATURE OF NOTARY PUBLIC

**MY COMMISSION EXPIRES 3/28/06**

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

(COUNTY NAME)	NAVAJO	
NAME (OWNER OR OFFICIAL)	RON MCDONALD	TITLE GENERAL MANAGER
COMPANY NAME	PINEVIEW WATER COMPANY, INC.	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2001

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

**IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:**

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 334,543

**(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 15,393  
IN SALES TAXES BILLED, OR COLLECTED**

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

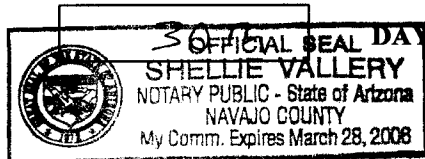
X Ron L McDonald  
SIGNATURE OF OWNER OR OFFICIAL

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**

**(SEAL)**



**MY COMMISSION EXPIRES 3/28/06**

NOTARY PUBLIC NAME	Shellie Vallery	
COUNTY NAME	Navajo	
MONTH	August	. 20 04

X Shellie Vallery  
SIGNATURE OF NOTARY PUBLIC

*933-13-294 + Various*

3869

**PINEVIEW WATER COMPANY, INC.**5198 CUB LAKE RD.  
SHOW LOW, AZ 85901  
(520) 537-4858**BANK OF AMERICA**  
08595 AZ  
91-170-1221

11/15/2001

PAY TO THE ORDER OF J. R. Despain, Navajo County Treasurer

\$ \*\*12,499.76

Twelve Thousand Four Hundred Ninety-Nine and 76/100\*\*\*\*\*

DOLLARS

J. R. Despain  
Navajo County Treasurer  
P. O. Box 668  
Holbrook AZ 86025

MEMO

*Paula K. Suter*

⑈003869⑈ ⑆122101706⑆ 004671848532⑈

⑈0001249976⑈

*933-13-294 + Various**Refund 424.47*

3863

**PINEVIEW WATER COMPANY, INC.**5198 CUB LAKE RD.  
SHOW LOW, AZ 85901  
(520) 537-4858**BANK OF AMERICA**  
08595 AZ  
91-170-1221

11/15/2001

PAY TO THE ORDER OF J. R. Despain, Navajo County Treasurer

\$ \*\*195.06

One Hundred Ninety-Five and 06/100\*\*\*\*\*

DOLLARS

J. R. Despain  
Navajo County Treasurer  
P. O. Box 668  
Holbrook AZ 86025

MEMO

*Paula K. Suter*

⑈003863⑈ ⑆122101706⑆ 004671848532⑈

⑈0000019506⑈



COMMUNITY FIRST BANK >091300036<  
FARGO, N. DAKOTA  
280208905 03-06-02 10 3220140420

W0-6 02

03/07/02 E2499 01 P01

3150699533

PAY TO THE ORDER OF  
COMMUNITY FIRST BANK  
HOLBROOK AZ  
FOR DEPOSIT ONLY  
NAVAJO COUNTY TREASURER  
8 2 2 0 3 4 0 4 3 8 5 7 2 6

COMMUNITY FIRST BANK >091300036<  
FARGO, N. DAKOTA  
280208905 03-06-02 10 3220140420

W0-6 02

03/07/02 E2499 01 P01

3150699536

PAY TO THE ORDER OF  
COMMUNITY FIRST BANK  
HOLBROOK AZ  
FOR DEPOSIT ONLY  
NAVAJO COUNTY TREASURER  
8 2 2 0 1 4 0 4 2 8  
0 0 3 2 5 5 7 2 4